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**REGENTS DELAY APPROVAL OF NEW COMMUNITY COLLEGE PROGRAMS,
MOVE TO OVERSEE POSSIBLE BUDGET CUTS**

The Louisiana Board of Regents established a committee today to develop a budget reduction plan for colleges and universities, if state legislators do not approve the current tax renewals under debate at the State Capitol.

"I believe we should be in charge of our own destiny," said Board Vice Chairman Ron Roberts in making today's motion. "We need to have an orderly way to address any budget shortfalls including asking the Governor to call a special session to allow campuses to raise tuition, if needed," Roberts said.

In other budget related action, the board deferred approval of two new academic programs at community colleges due to concern over funding for the entire Louisiana Community and Technical College System (LCTCS). Yesterday, a Regent's committee approved an Associate Degree in General Science at Bossier Parish Community College and Associate Degree in Early Childhood Education for Louisiana Delta Community College.

"We must be prudent in decisions that will financially impact our community colleges. All new funding to provide for current enrollment growth for the community and technical colleges is tied to renewal of the fourth penny of the sales tax. The uncertainty of that renewal demands that we not put these schools at further financial risk," said Commissioner of Higher Education Joseph Savoie.

Governor Mike Foster had proposed \$8.6 million dollars in new funds to cover enrollment growth in the LCTCS system last Fall. Overall that system grew by about 14 percent with Baton Rouge Community College leading that growth at 62 percent. Through amendments to the budget those funds were cut by \$1 million and the remaining funds were tied to renewal of the current fourth penny of the sales tax.

Yesterday, the House of Representatives only renewed three cents of the current four cent sales tax on exempt items. "The budget situation is unclear at this time. While we are continuing to

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REGENTS DELAY APPROVAL OF NEW COMMUNITY COLLEGE PROGRAMS

discuss the merits of stable investments in our colleges and universities with legislators, we must deal with today's reality. If current funding needs are not stabilized, it will have a dramatic impact on our institutions."

If the tax renewals are not approved Louisiana colleges and universities will lose over \$26 million dollars for mandated costs increases for civil service merit pay and mandated increases in group health insurance premiums. "This is a significant cut in our funding," Savoie said.

Funds to cover mandated civil service pay adjustments, a total of \$10.6 million, are dependent on the renewal of the current fourth penny of sales tax. In addition, funds to cover mandated increases in group health insurance premiums, \$15.8 million, are dependent on renewal of the current income tax limitation on excess itemized deductions.

Other education initiatives have also been reduced and are now dependent on passage of the fourth penny of the sales tax renewal. They include:

- *Teacher quality improvement initiatives already underway.

- *The Governor's Biotechnology Initiative, which is research-based and designed to spur economic development, and

- *The Governor's Information Technology Initiative which is also already underway.

Commissioner Savoie summarized what is at stake as a result of the current budget situation.

"We have seen significant progress in our colleges and universities. We are more efficient and accountable and all quality indicators are up. Enrollment is up. Graduation rates are up. Student success rates are up and remedial education is down. The momentum for further improvements is growing. Now is not the time to abandon this progress. The state needs a strong and viable community college system, responsive technical college campuses and universities that serve students, their communities and, through targeted research, the economic development of the state and that takes stable resources and sustained effort. We will be working to protect our progress," said Savoie.

Lawmakers are expected to continue debating the tax renewals and the state budget over the next few weeks. The session must end by June 12 at 6:00 p.m.